

Economic Connectivity | Armenia-Azerbaijan Dialogue Series | ECAADS

White Paper |
Mid-Term Project Report

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* Table of Contents

1. Executive Summary & Recommendations	3
2. Context	4
3. Transport (Dialogue 1) 16-17 June 2022 Berlin	5
3.1 Discussion points	6
3.2 Recommendations	6
3.3 Key routes: projects currently on the way	7
3.4 Key routes: projects not currently on the way, for which feasibility studies could be useful	7
4. Energy (Dialogue 2) 19-21 December 2021 Tbilisi	8
4.1 Discussion points Gas	8
4.2 Discussion points Electricity	8
4.3 Discussion point Oil products	9
4.4 Discussion points Renewables	9
5. Water Management (Dialogue 3) 5-8 March 2023 Tbilisi	9
5.1 Discussion points & recommendations	10
6. Markets & Skills-Building (Dialogue 4) 18-20 March 2023 Berlin	11
6.1 Discussion points & recommendations	11
7. Economic Connectivity Scenarios (Dialogue 5) 15-16 June 2023 Tbilisi	12
7.1 Discussion points & recommendations	13
8. Conclusion: Moving ECAADS Forward	15
8.1 ECAADS' added value	16
8.2 Networking & outreach	16
8.3 Future dialogues	16
* Annex	19
A. Organisers	19
B. Facilitator biographies	20
C. Materials & readings	21
D. Film documentation	22
E. Select photos from Dialogues	22
F. Donors & partners	23

1. Executive Summary & Recommendations

The project | ECAADS is the only post-2020 initiative that brings together technical experts from both Armenia and Azerbaijan in small bilateral formats under the broad umbrella theme of economic connectivity. Conducted in Berlin and Tbilisi over 12 months, five dialogues gathered inputs from 3-4 experts from both countries on each occasion. The dialogues focused on the key themes of regional transport cooperation, energy (hydrocarbons and renewables), water management, cooperation in markets and skills building and future economic connectivity scenarios.

Added value | A year into the project, ECAADS has normalised dialogue within a tightly knit but growing community of experts with regard to policy sectors crucial to economic development. ECAADS' technical focus on future collaboration has averted tensions that can arise when the past conflict and its present consequences are discussed. As the past expert generation retires, newer generations of professionals who have not had such opportunities for bilateral cooperation stand to benefit from exposure to such exchanges. ECAADS fills this gap by engaging new voices.

Way forward | Seven more dialogues are scheduled to take place over the next 18 months. In its final chapter, this report enumerates possible themes - ranging from climate change to free trade zones to capital infrastructure development - that are subject to donor interest and respond to opportunities that arise from developments on the ground. Concluding the dialogue series will allow organisers to draft a final policy brief that presents further pilot projects and concrete funding proposals for development assistance in pursuit of economic connectivity and regional prosperity.

Recommendations | This report - written when almost half of the planned dialogues have been held - summarises expert knowledge sourced up to date and maps pathways towards continuing technical conversations in similar formats. It captures concrete recommendations emanating from five dialogues. While varying in scale, cost and feasible time horizons, the recommendations offer insights into the types of projects the donor community could fund in support of mutually beneficial initiatives once peaceful relations between the two countries have been established.

Transport

- A third-party comprehensive feasibility study for the Southern route or the renovation of pre-existing routes, in some cases to restore connections and in others to enhance capacity.

Energy

- Designed to foster discussion, an initial technical/legal feasibility study for the connection of the Azerbaijan gas pipeline grid with TANAP through the Syunik region and Armenia in general (despite associated political challenges).
- A feasibility study for a high-capacity wind farm on the Bichanak pass, near the border between Armenia and Azerbaijan (Nakhichevan) to produce electricity for undersupplied border regions.

Water

- A pre-feasibility study of the rehabilitation of the Joghaz Reservoir and river basin as an area of mutual importance and interest for both countries with a history of previous cooperation.
- Development of a Shared River Basins of the South Caucasus pilot study initiative, which envisions pilot projects in a few smaller shared basins. The Arpa River/Arpaçay and Bazarçay/Vorotan River are two examples, as well as the Joghaz Reservoir.
- A South Caucasus Water Forum, modeled after the Caucasus Mountains Forum, facilitating public bilateral scientific and academic exchange between Armenia and Azerbaijan on water issues.

Skills-building

- A comprehensive tourism pilot project that brings together Armenia and Azerbaijan professionals and small businesses in the tourism industry to collaborate on facilitating group tourism in the South Caucasus.
- Technology skills-building for rural women, primarily devoted to e-marketing, design and coding skills.
- A pilot platform for exchange of online and freelancing services across borders.

- An innovation awards programme for bilateral tech startups to explicitly incentivise collaboration between Armenian and Azerbaijani tech entrepreneurs.
- Ways to exchange information and knowledge on wildfires and agricultural pests in border regions, particularly between villages that are only several hundred meters apart yet lie on either side of the border.
- A conflict management/peacebuilding certificate programme, as such types of conflict transformation skills will be important for future economic relations between the two countries, in addition to government and civil society, and there is already demand from international companies for such skills.

2. Context

Almost three years after the November 2020 trilateral Ceasefire Statement, it is still challenging to engage in trust-building activities between Armenia and Azerbaijan, particularly at the local level. Over the past three years, progress in Track 1 negotiations has been reported by both sides but encouraging bilateral developments – such as mutual acknowledgement of the importance of opening transport and communication channels, tripartite meetings and the resumption of Azerbaijani flights over Armenian airspace – have been interrupted by unresolved border delimitation issues, tensions and impasses on the Lachin road, military skirmishes, and disagreements over transport routes and legal status. The regional dimensions of the post-conflict situation in the South Caucasus also influence and are influenced by the dynamics between Armenia and Azerbaijan. Though the prospect of a possible rapprochement between Armenia and Turkey may be cause for cautious optimism, regularly escalating tensions between Azerbaijan and Iran and the wider regional ramifications of Russia’s war of aggression against Ukraine remain cause for concern.

Amidst these complexities and sensitivities, economic connectivity and “soft regionalism” remain tried and tested concepts when it comes to incentivising people-to-people contact, yielding informal understandings and “normalising” contact along the way. Until now, bilateral discussions on urgent economic themes that require collaboration between the two countries to create the kind of regional stability needed to build lasting prosperity have been missing. Using the confidence-building tools of soft regionalism, the idea behind establishing a dialogue series around economic connectivity was to promote economic development and growth around “islands of cooperation” at a time when other channels remain blocked.

Since Spring 2022, the Hertie School and Restart Initiative have been undertaking a series of Track 2 meetings under the heading of *Economic Connectivity | Armenia-Azerbaijan Dialogue Series (ECAADS)*. These meetings also serve a Track 3 objective of fostering people-to-people contact. By creating opportunities for current and future cooperation, ECAADS complements other international peacebuilding initiatives consulted during the project development process, with an eye towards engaging in synergistic rather than duplicative efforts. Specifically, the development of concrete, feasible pilot projects during Phase 2 of ECAADS corresponds with the interests of international donor organisations to support targeted regional projects on economic connectivity that will garner interest and commitment among regional actors.

The idea behind ECAADS is not to discuss ways to solve the conflict directly, as this is being done in several other formats. Instead, the project aims to contribute to the broader portfolio of peacebuilding initiatives in the region through fostering forward-looking dialogue on concrete topics of mutual benefit and interest. In that respect, ECAADS helps to implicitly foster a shared post-war vision of countries whose futures are intertwined, to their mutual benefit. This process can also help communicate the potential economic “peace dividend” that people of the region would be able to reap after a restoration of peaceful relations between the two countries. To this end, and following two years of preparatory work, carefully selected and specialised groups of experts, businesspeople, academics and civil society representatives from both countries came up with project proposals that not only could yield a true benefit for both Armenia and Azerbaijan, but could be realised rapidly after a settlement has been achieved – and potentially in some cases before then.

The ECAADS dialogue series therefore had three objectives:

1. **Foster dialogue between Armenian and Azerbaijani experts**, establishing a track record for interaction between technical experts, academics, policy professionals and private sector representatives, thus creating corridors of conversation to further associated common objectives and a baseline for cooperation in other areas;
2. **Explore possibilities for regional cooperation** in various economic sectors with a focus on economic development after a peace agreement, with attention to mainstreaming and the inclusion of women in these processes, thus kick-starting self-sustaining cooperation that may create a more favourable environment for normalisation on the ground;
3. Based on the outcomes of the 12 dialogues and consolidated recommendations pre-endorsement by participants, **develop proposals for projects** for EU institutions (DGs NEAR & INTPA, ECHO) and other international organisations (UNDP, IFIs) and development assistance providers to fund economic development projects that promote connectivity and economic prosperity that cements peace and regional stability.

ECAADS' steering committee is composed of representatives from both countries with broad networks that are also active in Track 2 & 3 initiatives. They help communicate the outcomes of dialogues, suggest candidates for and interact with experts, advise the project on the political climate, and exemplify model behaviour to participants showing that it is indeed possible and appropriate to engage in dialogue across conflict divides. Over the course of five dialogues, 23 individual experts have been engaged. ECAADS does not include participants currently holding official government positions. By highlighting valuable expert voices not engaged in official processes, ECAADS increases the diversity of participation including an effort to improve gender representation, while incorporating local knowledge in exploring economic connectivity issues. The project operates under the assumption that the resulting proposals stem from a general understanding of what is both politically and socially feasible.

Together with ECAADS' steering committee and following scoping trips to both Yerevan and Baku, five priority topics were identified: cooperation in the fields of transport, energy, and water, as well as markets and skills-building and scenario-building for economic futures were selected as having the highest potential for producing high-impact results. Dialogues were conducted under international moderation and under the Chatham House Rule. The recruitment process, dialogue format, and the facilitation applied during the events fostered an environment where conversations proceeded in a friendly, professional, and respectful atmosphere. Participants were fully engaged in addressing the agenda and collaboratively worked towards developing concrete, workable solutions for the issues and puzzles at hand. Current political events disrupting the negotiations process were briefly and informally discussed on the margins. The impact of the absence of connectivity on women and girls was also discussed, as the dialogues sought to amplify the participation of women in cross-border dialogues and follow-on initiatives. Trust between participants has been on the rise at all five convenings, with steering committee members providing assurances to experts new to such bilateral dialogues that ECAADS is a "safe space", where constructive debates can be held without undue politicisation or unwanted publicity. Repeatedly and throughout the five dialogues, participants expressed their gratitude to the organisers for the opportunity to meet in this composition, while acknowledging that, for the time being, such formats would still be difficult to conduct without international initiative, leadership and funding.

3. Transport (Dialogue 1) | 16-17 June 2022 | Berlin

Dialogue 1 was held to foster discussion among seven experts on the domestic, bilateral and regional transport issues facing Armenia and Azerbaijan, and to explore issues of mutual interest between them, with a view to recommending feasible and mutually beneficial projects in the transport sector that the international donor community could support. Between scoping trips to Baku and Yerevan and Dialogue 1, the war in Ukraine fundamentally altered dynamics, including transport routes in the region. Dialogue 1 therefore began with a discussion of regional issues and drivers of change,

followed by domestic interests and the feasibility of current and future transportation projects in light of political realities.

The persistent issues which have thus far limited dialogue on transport in the region can be summarised as twofold. First, a Southern route connecting Armenia and Azerbaijan through the Syunik/Zangezur region (a route referred to by Azerbaijan as the Zangezur Corridor) was the first point of discussion. As has been the case in other fora, this topic highlighted the impact of political issues related to different interpretations of the terms of Art. 9 of the November 2020 Ceasefire Statement on the unblocking of communications.¹ The Southern route is of both political and economic importance to Azerbaijan, but disagreements over the “corridor’s” status – and the customs and security regimes surrounding that potential status – have impeded progress with Armenia on opening the route. Azerbaijani participants put forth the argument that blocking the Southern route is in abrogation of the November agreement. Armenian transport experts pointed out that if the objective of the tripartite Ceasefire Agreement was truly to unblock transport connections in the region in an expedient manner, restoring existing routes would be both technically easier and require less investment than the Southern corridor. From the Armenian perspective, the Southern route is used as a political bargaining chip by Azerbaijan; from the Azerbaijani perspective, Armenia is delaying the development of a critical link between Azerbaijan and its exclave Nakhichevan.

3.1 Discussion points

- To move forward with the dialogue, the issue of whether NK’s status should be a part of any negotiated deal to open transport and trade connections came up in discussion (N.B.: this issue has since been resolved with Armenian PM Pashinyan’s recognition of NK as part of Azerbaijan on 22 May 2023). Different opinions on the status of the Southern route through Syunik/ Zangezur were exchanged, notably on “corridor” status and the route’s relation to the spirit of the November 2020 agreement clause on unblocking communications in the region. The particular importance of this route to Azerbaijan was acknowledged while agreement was found to set that particular project aside for the moment to allow discussion of other routes.
- The role of other regional actors was also examined in detail. The Russian Federation’s diminished attractiveness as a transit country due to the war in Ukraine was mentioned. Georgia plays an important role here due to its connection to both countries and its access to the Black Sea. Both the opening of transit lines between Turkey and Armenia, as well as potential lifting of sanctions against Iran were explored given how these events could also dramatically alter connectivity and economic opportunities in the region.
- How to guarantee the security of shared infrastructure? No clear solutions or outcomes were found here, given the highly political nature of this issue. Participants saw the need for an additional dialogue just to discuss this in greater detail. Extensive discussions were, on the other hand, held on various specific projects/routes, most of them existing and in need of repair/reopening, that could potentially increase regional connectivity.

3.2 Recommendations

Dialogue 1 was to focus on technical issues and opportunities between Armenia and Azerbaijan in the transport sector. Participants were asked to hold the Southern route’s political significance to Azerbaijan in parentheses, while considering what alternatives might there be if we assumed that Syunik/

¹ “All economic and transport links in the region are unblocked. The Republic of Armenia guarantees the safety of transport links between the western regions of the Republic of Azerbaijan and the Nakhichevan Autonomous Republic in order to organize the unimpeded movement of citizens, vehicles and goods in both directions. Control over transport communication is carried out by the bodies of the Border Guard Service of the FSB of Russia” (Art. 9). See [here](#) for the full text of the Statement.

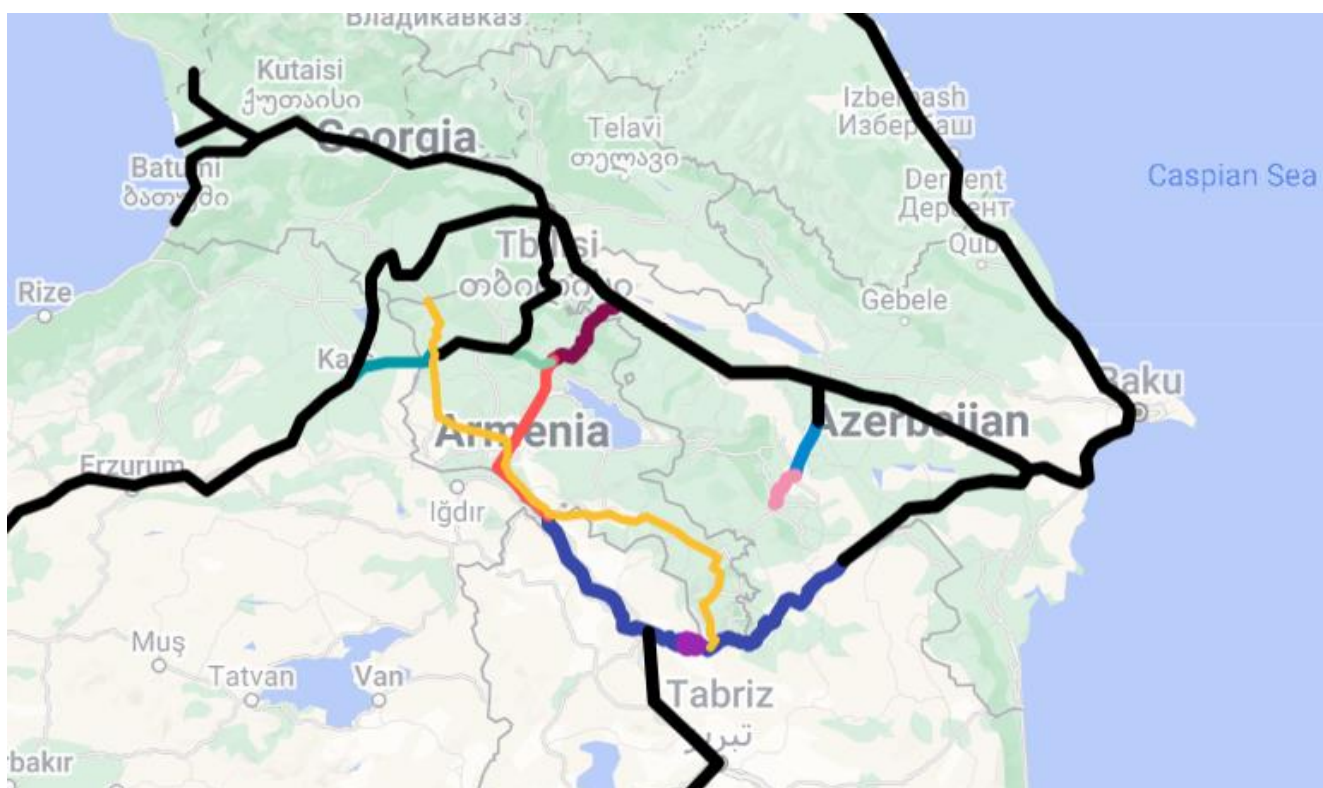
Zangezur was not a point of impasse. Several other routes were discussed as potentially fostering connectivity between Armenia and Azerbaijan, as well as the broader region.

N.B.: the use of maps in this document is for illustrative purposes only. Transport routes are approximate. The inclusion of maps does not imply endorsement and/or a particular stance on behalf of the report authors regarding any information contained therein, including the inclusion or absence of specific cities, toponyms and/or political boundaries.

Options to increase trade flows through the region, participants concluded, could be put into two categories – the ‘low-hanging fruit’ or the projects that require less investment, and the more ambitious projects which will involve additional financial capital and political will, such as the Southern route. While much of the discussion revolved around costs and technical feasibility of various transport routes, it became evident that **no third-party comprehensive feasibility study has been conducted for 1) the Southern route or 2) the renovation of pre-existing routes not currently underway, in some cases to restore connections and in others to improve capacity.** Participants discussed a number of these routes, listed below. Dialogue 1 participants agreed that such studies would be of mutual interest and would **help to undergird future discussions on the various options for opening transport connections.**

3.3 Key routes: projects currently on the way

- Southern route: Horadiz (Azerbaijan) - Meghri (Armenia) - Nakhichevan (Azerbaijan) - Yeraskh (Armenia) [Railroad – restoration of existing route] (**Dark blue line** – see [here](#));
- Barda (Azerbaijan) - Agdam (Azerbaijan) [Railroad and Highway – new construction of existing route] (**Light blue line** – see [here](#), [here](#) and [here](#));
- Georgia - Agarak (Armenia) - Araks River - Iran [Highway, as part of North-South Road Corridor project – currently underway] (**Orange line** – see [here](#) and [here](#)).



Graphic: ECAADS editorial team. **Black lines:** other major existing transport infrastructure lines

3.4 Key routes: projects not currently on the way, for which feasibility studies could be useful

- Agstafa (Azerbaijan) – Barxudarli (Azerbaijan) – Ijevan (Armenia) – Dilijan (Armenia) [Railroad and Highway – restoration of previous route] (**Dark red line** – see [here](#));

- Agdam (Azerbaijan) - Khankendi/Stepanakert (Azerbaijan/Former NK Autonomous Oblast) [Railroad – restoration of previous route] (**Pink line** – see [here](#));
- Baku (Azerbaijan) - Nakhichevan (Azerbaijan) [Northern route from the 1980s, part of Yerevan - Dilijan - Ijevan - Qazax route] [Railroad – restoration of previous route] (**Bright red line** – see [here](#));
- Akhuryan (Armenia) - Gyumri (Armenia) - Kars (Turkey) [Railroad – restoration of previous route] (**Turquoise line** – see [here](#) for a detailed study that could be updated);
- Salamalik - Ordubad (Azerbaijan) - Siyahrud (Iran) [Railroad – new construction] (**Purple line** – as to alternatives to the Southern Corridor through Iran, see [here](#));
- Agstafa (Azerbaijan) line to Turkey via Fioletovo-Vanadzor connection to Gyumri (Armenia) [Railroad – new construction between existing routes] (**Light green line** – see [here](#) & [here](#)).

4. Energy (Dialogue 2) | 19-21 December 2021 | Tbilisi

Dialogue 2 was to formulate concrete recommendations on how to harness connectivity in the field of energy for a peacebuilding agenda. Six energy experts met in three working sessions to discuss energy-related topics relevant to both Armenia and Azerbaijan, identify opportunities for co-operation and explore energy-related synergies. Dialogue 2 expert deliberations focused on a wide range of topics: natural gas exploration, production and transport; trade and transportation of oil products; nuclear power; cooperation in the field of hydropower; and joint exploration of other renewable energy sources as well as electricity trade. All noted the importance of taking into account the changed role of Russia in global energy markets as well as the EU's Green New Deal when discussing the region's energy future.

4.1 Discussion points | Gas

- Azerbaijan aims at being able to export up to 32bcm/year of natural gas to the EU in the short to medium run. This may be achieved by connecting the Turkmen Serdar/Kyapaz gas field to the Azerbaijani pipeline grid. Recent political agreements between Azerbaijan and Turkmenistan make this possible.
- According to participants' knowledge, the pipeline connecting Azerbaijan with the Trans-Anatolian pipeline (TANAP) through Georgia has reached capacity (TANAP initial capacity is 16 bcm/ year, but it can be expanded to 31 bcm). Newly built pipeline infrastructure or investments in expanding the capacity of existing pipeline infrastructure connecting Azerbaijan with Turkey would therefore be necessary to bring these Azerbaijan gas volumes to Europe.
- Such pipeline infrastructure could be built through Armenia (Syunik region), possibly more efficiently than through Georgia, and yield a political as well as economic dividend through the entire region, including easing the economic dependency of Armenia from Russia.
- Participants pointed out that such a gas pipeline could potentially be envisaged going alongside a train/road connection connecting mainland Azerbaijan with Nakhichevan, also strengthening Azerbaijan interest in the project.
- Main problems for this approach (besides political will in Azerbaijan & Armenia): EU commitments to exit natural gas (timeline?), current Russian ownership of Armenia's pipeline grid.
- Even given the political complications of realising such a new pipeline project via Armenia in the immediate or near future, **participants would jointly welcome a technical/legal feasibility study for such a project: the connection of the Azerbaijani gas pipeline grid with TANAP through the Syunik region (and Armenia in general).**

4.2 Discussion points | Electricity

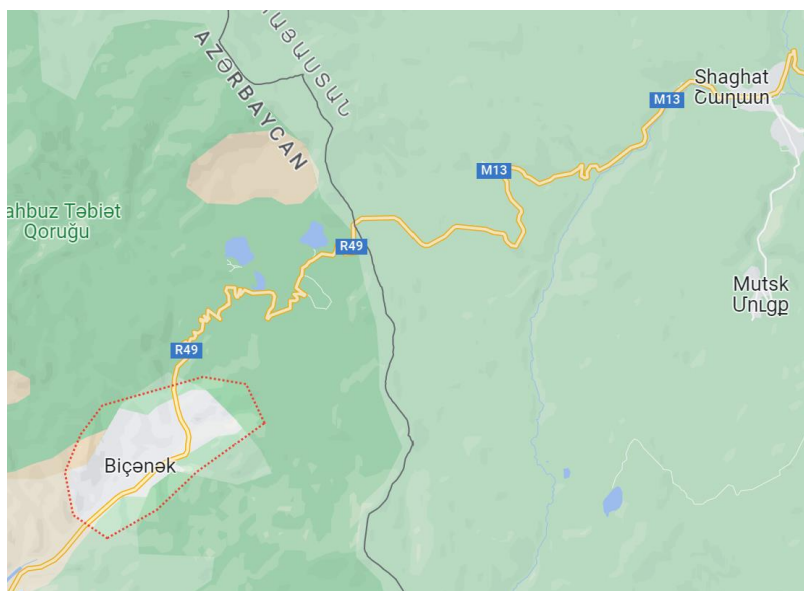
- Participants noted that currently Azerbaijan has no capacities to export electricity and struggles to supply formerly occupied territories due to lack of capacity and connections.
- Armenia, conversely, currently exports electricity (to Iran) and is likely to further extend the lifespan of its Metsamor nuclear power plant yet again (until 2036), enabling it to export electricity potentially also to undersupplied Azerbaijani regions.

4.3 Discussion point | Oil products

- Participants agreed that **direct trade in oil products would be beneficial for all sides, avoiding long delays and losses by trading through Russia and Iran.**

4.4 Discussion points | Renewables

- Experts took note of a proposal made by an Armenian participant: there would be an ideal location for establishing a high-capacity wind farm on the Bichanak pass, which constitutes the road border between Armenia & Azerbaijan (Nakhichevan). Such a wind farm would be beneficial for both sides and produce electricity for undersupplied border regions. A feasibility study for such a wind farm and on its integration into Azerbaijani & Armenian grids would be welcome.



Bichanak Pass (source: Google Maps)

- Participants also pointed to the possibility for the joint production of biogas and the joint construction of large-scale heat pumps for joint production of energy for the region.

5. Water Management (Dialogue 3) | 5-8 March 2023 | Tbilisi

Dialogue 3 involved eight water management experts from Azerbaijan and Armenia. The dialogue sought first and foremost to normalise bilateral dialogue on water issues. Participants, many of whom are used to meeting in broader regional formats, remarked that this is likely one of the few, if not the only, public bilateral meeting of Armenian and Azerbaijani experts on water issues since the Soviet period. In the course of Dialogue 3, participants discussed the current challenges of trans-boundary water management in the South Caucasus, past international projects in the Kura-Ara(k)s basin, and the value of using nature and natural resource management to create new narratives of cooperation between the two countries. Common challenges related to climate change and its impact on water resources focused primarily on the topic of adaptation, and how adaptation measures would benefit from being coordinated across countries. This led to a discussion of the perennial problem of data sharing and management across boundaries as well as within countries, as well as problems with data quality and scarcity. The topic of environmental flows - the preservation of sufficient water in river basins to maintain environmental processes - was another area of discussion, particularly in relation to the importance of harmonizing standards across countries for water quality and quantity. Finding solutions to alleviating water pollution in shared small river basins by paying for upstream water quality preservation was suggested as a potential pilot project.

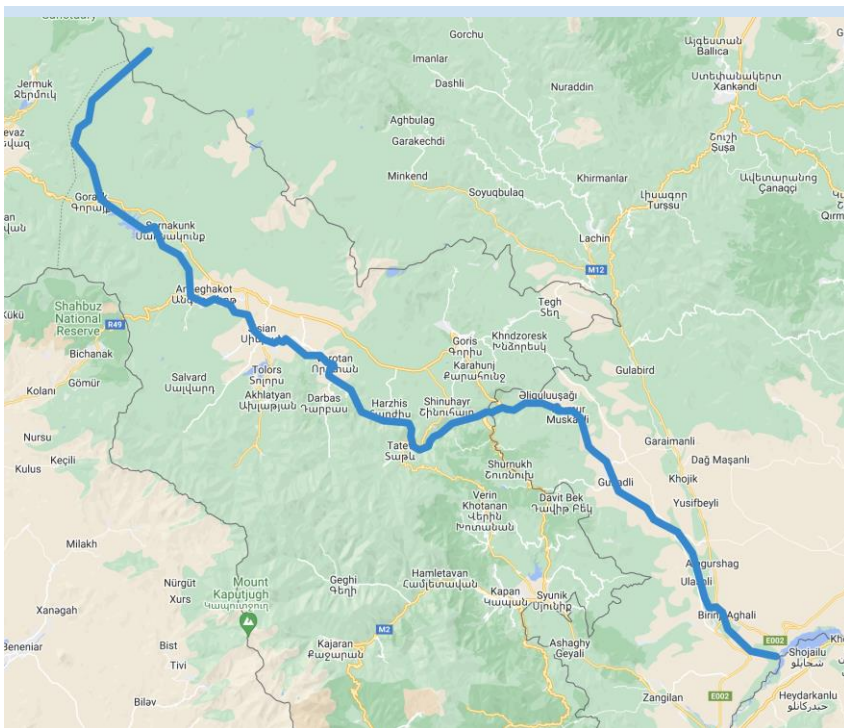
Much of the discussion focused on finding areas of common interest between countries, as well as ways to build trust between communities. Finding similar problems that relate to the interests of government agencies germane to water management, such as flooding/drought, eco-migration, the urbanisation-climate change nexus, and local level needs assessments were suggested as areas of common interest. The group was also particularly interested in finding areas to cooperate outside of formal government agreements. Finding ways to facilitate academic collaboration and exchange, on both social science and technical topics, was repeatedly emphasised as important.

5.1 Discussion points & recommendations

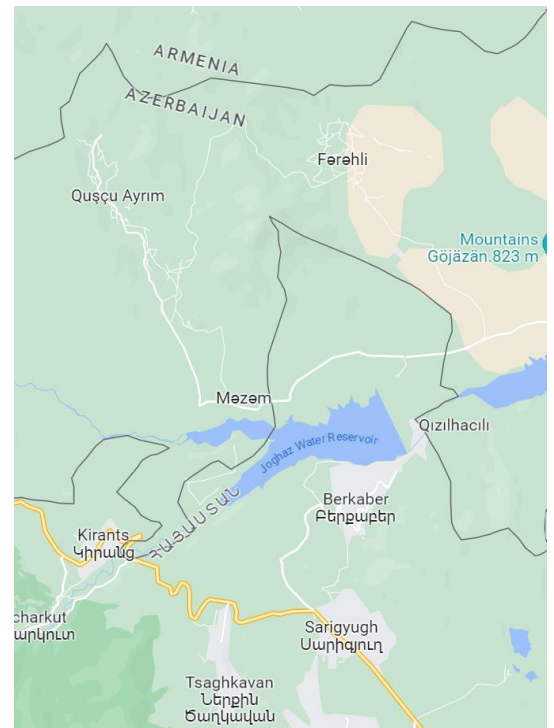
- A pre-feasibility study of the rehabilitation of the Joghaz Reservoir and river basin, as an area of mutual importance and interest for both countries with a history of previous co-operation. The study would include an assessment of technical conditions of hydraulic structures, an assessment of irrigation and land use and current possibilities, and an assessment of different demands on water use (a “nexus assessment” in water jargon). Participants also called for a social science study on current drivers of change for water demand.
- Development of a Shared River Basins of the South Caucasus pilot study initiative, which envisions pilot projects in a few smaller shared basins (Arpa River/Arpaçay and Bazarçay/Vorotan River are two examples, as well as the Joghaz Water Reservoir) exploring payment by downstream users (traditionally Azerbaijan) to invest in upstream (traditionally Armenia) protection of ecosystem services and environmental flows, helping to preserve water quality and quantity for all users. In addition to technical work, there could be an important communication dimension to this project regarding mutually intertwined environmental futures, as these basins have many communities living within them.



Arpa/Arpaçay River (Google Maps)



Vorotan/Bazarçay River (source: Google Maps)



Joghaz Water Reservoir (source: Google Maps)

- South Caucasus Water Forum facilitating public bilateral scientific and academic exchange between Armenia and Azerbaijan on water issues. The idea stemmed from some of the participants’ participation in the successful Caucasus Mountain Forum, as part of the Scientific Network for the Caucasus Mountain Region. The notion behind this recommendation was to create an institutional structure for joint research, funding, publications, and public engagement between Armenian and Azerbaijani experts on topics such as joint monitoring and data collection, regulatory standards, donor coordination, and visualisation

tools. Awareness-raising of water issues, and sharing stories/narratives/best practices, was also recommended to be part of this forum.

6. Markets & Skills-Building (Dialogue 4) | 18-20 March 2023 | Berlin

Dialogue 4 hosted eight participants and was predicated on the assumption that the development of human skills and forums for exchange between Armenia and Azerbaijan are just as important as technical and infrastructure projects uniting the two countries. The topic built upon the interest in reviving local markets expressed by experts during a scoping trip to the region. As the issue of borders remains sensitive with regards to their delimitation/demarcation, Dialogue 4 explicitly omitted that issue and focused instead on opportunities to jointly build human and social capital through programmes to develop in-demand skills for Armenian and Azerbaijani citizens in border regions that were previously sites of exchange, such as in the fields of digital literacy, coding and IT. The idea was to include cooperative projects, vocational training, apprenticeships & externships bringing together Armenian and Azerbaijani citizens as part of these programmes. Geographically, the intended focus was on border regions where unemployment on both sides is particularly high.

Much of Dialogue 4 focused on the needs, challenges and opportunities for skills-building for economic development in rural and border regions, particularly for women. Experts highlighted that donor-supported economic development initiatives related to fostering skills should include a face-to-face component at some point. In cases where such interaction is not possible, initiatives should prepare target participants for future interaction following a peace agreement. They felt that preparing populations for exchange in new geographic and economic contexts was more important than reviving the former markets of Sadakhlo and Bagratashen, which arose in the specific economic context of the fall of the Soviet Union. They discussed specific examples of how exchange between Armenia and Azerbaijan is presently still occurring in different geographies.

6.1 Discussion points & recommendations

After two days of discussion on topics ranging from technical challenges to exchange, to finding ways to encourage innovation across different sectors, to using business to foster a culture of peace, Dialogue 4 generated several concrete proposals for further projects.

- **A comprehensive tourism pilot project that focuses on both skills-building and brings together Armenian and Azerbaijani professionals and small businesses in the tourism industry** to collaborate on facilitating group tourism in the South Caucasus. Increasingly, the South Caucasus is becoming a destination for tour operators, particularly from Asia, and tourism is a priority for all three countries. Economic opportunities are being missed by the fact that the Armenia-Azerbaijan conflict has inhibited seamless coordination among tourism professionals in the two countries, as well as tour groups wishing to travel between them. Currently, Georgia acts as an intermediary for tourism, yet beginning to bring together tourism professionals for professional development as well as to engage in a group tourism pilot project will lay the foundation for a more flourishing regional tourism industry with local benefits. This initiative would build upon the current priorities of tourism ministries in all three South Caucasus countries, as well as existing bilateral Georgian-Armenian and Georgian-Azerbaijani initiatives. The notion is to foster face-to-face collaboration among tourism professionals from Armenia and Azerbaijan, with a training and skills-building component in the UK or potentially Georgia. Dialogue 4 participants felt strongly that such an initiative should incorporate a local tourism component, enabling individuals and particularly women in local communities to benefit from current trends towards sustainable and local tourism. Thus, this idea would foster business collaboration, skills-building and local development, and would include a peacebuilding element by facilitating collaboration between Armenian and Azerbaijani tourism professionals.

- Regarding building technology skills and fostering innovation, several ideas emerged: First, **skills-building for rural women, primarily devoted to e-marketing, design and coding skills**. For many women in rural areas, it is easier to find work that does not take them beyond the home, yet in a global market, women need to be better prepared to find jobs requiring technical prowess. Coding schools and initiatives aimed at building tech skills, particularly among youth, exist in both Armenia and Azerbaijan and offer successful models for building such a programme. The distinguishing features between this suggestion and other initiatives in the region include a focus on rural women, as well as a conflict transformation element achieved through in-person collaboration and training. This project envisions workshops / joint trainings and externships in neutral contexts.
- Second, a **pilot platform for exchange of online and freelancing services across borders**: exchange between Armenian and Azerbaijani communities happens in specific geographical contexts, but the physical movement of goods across borders remains legally and logistically complicated. The marketplace for exchange of bilateral online services, however, is largely unexplored. Globally, many platforms for such exchange exist, and the pandemic increased familiarity with e-commerce in general. A pilot project testing the market for exchange of online and freelancing services may indicate a willingness among members of the population to start building trust through virtual forums of exchange.
- **Innovation awards programme for bilateral tech startups to explicitly incentivise collaboration between Armenian and Azerbaijani tech entrepreneurs**. Following an online and in-person programme on technology innovation, an award would be given to the most innovative tech start-up idea jointly produced by Armenian and Azerbaijani developers, as defined by a panel of jurors. This initiative would lend itself well to support from private tech companies and could again incorporate externships in a neutral third country.
- Given the importance of agriculture in rural border regions, the fifth idea concerned collaboration in addressing common problems which inhibit economic growth. Specifically, **participants suggested focusing on ways to exchange information and knowledge on wildfires and agricultural pests in border regions, particularly between villages that are only several hundred meters apart yet lie on either side of the border**. The idea here is that economic development and exchange would come from addressing straightforward common problems that cause economic loss. Such a programme could then build a foundation for a broader agenda of cross-border agricultural extension services in rural communities within border regions. Similar programmes related to wildfire management supported by OSCE have reportedly successfully been developed between Armenia and Georgia, as well as Georgia and Azerbaijan.
- **Conflict management/peacebuilding certificate programme**: the connection between this idea and markets and skills-building is that conflict transformation skills will be important for future economic relations between the two countries, in addition to government and civil society, and there is already demand from international companies for such skills. This idea also relates to using business to foster a culture of peace, which was a topic of discussion within the dialogue. The target audience would be those born in/around Armenian/Azerbaijani independence since the post-Soviet generation has had few opportunities to meet individuals from the other country.

7. Economic Connectivity Scenarios (Dialogue 5) | 15-16 June 2023 | Tbilisi

Dialogue 5 hosted 10 participants and took a different approach to the dialogue format. It used strategic foresight and scenarios methodology to consider alternative economic futures in the South Caucasus with the following three objectives:

- create a shared vision / understanding of future economic opportunities and vulnerabilities;

- understand short-/long-term benefits of cooperation between Armenia & Azerbaijan in selected areas;
- identify triggers for future scenarios of South Caucasus economic development.

With the South Caucasus lying at the fault lines of regional and global power competition and being exposed to the impact of highly dynamic global trends, the degree of interdependence of the countries in the region will increase considerably in the years to come. Particularly, power shifts between regional and global powers, the impact of climate change, demographic change and disruptive consequences of the green and digital transitions of economies will change the interplay of countries and actors in the region – and beyond. As always, these seismic shifts in societies entail risks but also great opportunities for cooperation.

Even though the repercussions of the 2020 war overshadow the debate about common futures, Dialogue 5 focused on policy fields characterised by a high degree of interconnectedness and interdependence: energy security, water security and connectivity. In the margins, additional topics – migration policy, digitalisation, green energy solutions and international trade – were discussed. The group used strategic foresight and scenario planning tools to analyse future trajectories within the three policy areas. Applying the “Three Horizon Methodology”, participants first looked into regional development which support the status quo (non-cooperation, conflictual, transactional policies) and identified actors that have an interest in preserving it (“Slippery Slope Scenario”). Thereafter, they defined desirable futures and prerequisites to embark onto a cooperative, peaceful pathway. Their rationale: common interests and shared risks are strong incentives for cooperation. The futures of energy, water security and of connectivity lend themselves to this rationale.

7.1 Discussion points & recommendations

Energy. The war on Ukraine has intense repercussions on energy markets and energy security in the region. Whereas Azerbaijan – as an oil and gas producing country – is energy self-sufficient, Armenia heavily relies on Russian oil and gas. International sanctions on Russian fossil fuel exports have led to massive distortions of regional energy markets, particularly threatening the energy security of Armenia. Hence, the Russian Federation’s war on Ukraine could serve as an external trigger for South Caucasus energy cooperation.

The group discussed this new geo-economic situation under the heading of “Turning a geographic curse into a blessing”. Opportunities for cooperation particularly arise from the region’s positioning between geopolitical poles (East/West, North/South) and their interdependencies / complementarities. Hence, regional cooperation not only promises more energy security in the short and long-run (particularly considering the upcoming Green Transition and the phasing out of fossil fuels), but also due to its complementarities (Georgia: hydro energy potential; Azerbaijan: fossil fuel producer and infrastructure hub; Armenia: transit country between the Caspian and the Black Sea). Being “Bridge States” in a strategic corridor of the Eurasian landmass gives South Caucasus countries a lever for preserving their independence – but only if they manage to cooperate in building the necessary infrastructure (high-voltage transmission lines, power storage through integrated smart grids), pooling their comparative advantages, building a regional energy market, and developing production sites for green energy for the European market.

- **Potential areas of cooperation:** pre-feasibility study on existing energy production sites and energy infrastructure; pre-feasibility study on requirements for transnational energy production / transmission / storage infrastructure.
- **Game-changer:** a Trans-Caspian Gas Pipeline would be a game-changer for the South Caucasus (analogy: Economic Community of Coal and Steel as a booster for integration and cooperation).

Water. Both Armenia and Azerbaijan feel the impact of climate change - particularly Azerbaijan being a downstream country with scarce internal water resources. Hence, Armenia as the middle

country in the South Caucasus holds a critical position in the region (but itself is dependent on water resources held back by hydropower dams in Turkey). Basin-based, transboundary water management is therefore key for long-term peace and (human) security in the region - also from a viewpoint of energy security (hydropower, cooling systems). But integrated water management not only needs to consider human needs, it must also address the entire regional ecosystem – particularly as the region is highly dependent on agricultural production. Thus bound together by their geographic and natural resource endowment, the countries in the South Caucasus form a “risk community” when it comes to regional water management. Hence, establishing natural resource / water corridors for shared use and collective management of scarce natural resources would be a strong incentive for regional cooperation (integrated, basin-based water management / upstream–downstream water management).

- **Potential areas of cooperation:** a first step for a shared understanding on integrated water management would be the alignment of all countries with the [EU Water Framework Directive](#) in the region (Armenia has already taken steps in this direction with the amendment of its Water Code in 2022). A second step could be the establishment of an entity for basin-based and downstream water management, although this has already been the target of numerous large-scale development projects. An ensuing third step could then be investments into capacity development and shared infrastructure (water treatment plants) and an early warning system in cases of disasters. And finally, investments to adapt to climate change through drip-irrigation systems, the introduction of water tariff systems to reduce the water footprint of industries, agricultural production and households, awareness raising campaigns to nudge behavioral change and create a new “water culture”.
- **Game-changer:** as a landlocked country, Armenia is not a member of the “Caspian Five”, the governance body of the littoral states of the Caspian Sea. Azerbaijan could promote the membership of Armenia in this governance body following the examples of the (land-locked) Czech Republic which has extraterritorial rights of access to the Hamburg Harbor through the Elbe River (making it *de jure* a littoral state of the North Sea).

Connectivity. The war on Ukraine has disrupted global supply chains. With Russia being heavily sanctioned by the U.S., the EU and its partners, the supply with and the transport of fossil fuels and many other essential goods are being reconfigured. This is particularly true for the South Caucasus which lies at the intersection of the North-South and East-West pipeline systems and Eurasian transport routes (New Silk Road).



Pipelines (Southern Gas Corridor, [BP Global](#))

With the North-South transport route from Russia in the Caucasus under sanctions, the East-West corridor is now the only lifeline for and through the region (with major repercussions for the entire Caspian-Black Sea region). Even if the war on Ukraine were to end tomorrow, sanctions against

Russia would be upheld until the conclusion of a final peace agreement, under an assumption made by some Dialogue 5 participants. The war on Ukraine thus aggravates Armenia's energy dependence and adds another factor of uncertainty to the already conflict-rich wider region. This additional layer of uncertainty particularly drives Armenia into a situation where it needs to minimise its risks by leaning towards short-term solutions with its guarantor power Russia at the expense of deeper regional cooperation, thereby undermining the Armenia-Azerbaijan peace process. At the same time, the region is at the centre of global infrastructure initiatives (Chinese Belt and Road Initiative, EU Global Gateway, Partnership for Global Infrastructure and Investment (PGII), India) and is being used as power projection tools by other global actors. The South Caucasus lies at the crossroads of all of these initiatives.

- **Potential areas of cooperation:** with the green and digital transitions in full swing – and the EU pushing towards green transition in the energy sector – states in the South Caucasus should start working together to develop their yet untapped potential for green energy production (solar, wind, green hydrogen). If the region could become a strategic partner to improve the EU's energy security, this could be an incentive for deepened regional cooperation. Also, a transformation from "brown" to "green" energy systems would enhance the regional integration of energy markets as none of the three countries have the capacity to run an independent energy system based on renewable energies (production, storage, transmission, export). Hence, transboundary energy transmission lines and storage facilities become a crucial feature of future energy systems – which would be one cornerstone of connectivity in the future. Another cornerstone of connectivity will be digital connectivity. The introduction of digital services would not only lead to efficiency gains (energy efficiency, transport of goods, water management), it would also create new job opportunities and lead to deeper integration of markets through transboundary digital solutions and services (with the risk of cyber-threats attached). The third cornerstone of connectivity would be intra-regional and transcontinental transport routes.
- **Game-changer:** global transport initiatives could be a game-changer for the South Caucasus which lies at the centre of these transcontinental projects, such as the Middle Corridor (Trans-Caspian logistics route that connects Asia with Europe, bypassing Russia), the BRI or the International North-South Transport Corridor (INSTC) from Mumbai via Iran, Azerbaijan, Russia, Central Asia and into Europe.

Additional topics discussed:

- **Migration.** Participants agreed that in the next decade the South Caucasus will become an arena for different migratory flows. Both countries could benefit from the influx of social capital and/or workforce: Armenia from diaspora and partially from Russia; Azerbaijan from Central Asia;
- **Digitalisation.** Experts discussed the importance of cross-border data exchange in sensitive areas like reservoir levels, data transparency, data validity and how it could be improved by means of automating data collection from additional sensors / controllers and its storage on reliable servers rather than administrative silos within national governments;
- **Green energy solutions.** Armenia that could benefit from solar energy and avoid dependence from imported gas. Second, participants discussed the influence of the green transition on global demand for hydrocarbons and eventually the role of Transcaspian trade of oil and gas;
- **International trade.** South Caucasus as the only non-sanctioned trade corridor between EU and Central Asia / China (example - cargo output of Baku port has grown 200% in 2022).

8. Conclusion: Moving ECAADS Forward

Our approach to building economic connectivity among experts has been straightforward: ECAADS brings together small groups of experts for facilitated, targeted, two-day dialogues in the neutral locations of Berlin and Tbilisi on topics related to economic connectivity between Armenia and

Azerbaijan. We then draw outcomes from the discussion to offer suggestions to international donors for potential projects and investments of mutual interest and benefit to the two countries.

8.1 ECAADS' added value

Within the international development world prior to the 2020 war, Armenia and Azerbaijan were often willing to sit at the same table discussing technical issues (such as water management), provided that such discussions were happening in a regional context. In some anecdotal cases, senior Armenian and Azerbaijani experts knew each other well from Soviet times, having studied or worked together. Despite bilateral political tensions, shared expertise on technical issues remained a constant that individuals could still talk about, even if no substantial agreements were reached. Public bilateral discussions among Armenian and Azerbaijani experts, however, only became possible after the 2020 war. The experts ECAADS has engaged with so far have consistently said they are interested in discussions with their professional counterparts, provided that the focus is not political. While all acknowledge and understand that nothing is truly apolitical, ECAADS' technical focus on future collaboration has averted and navigated tensions that arise when the past conflict and its present consequences are discussed. Furthermore, as the generations used to meeting in Soviet times go into retirement, newer generations of professionals who have not had such opportunities stand to greatly benefit from exposure to such formats and exchange with regional colleagues. ECAADS helps fill this gap and works to engage newer voices in our formats.

One of the greatest tragedies of development work is that papers and recommendations sit on the shelf. ECAADS creates value through generating modest and targeted recommendations that are "low-hanging fruit" for the donor community to pursue. By proposing ideas that have been suggested by experts as feasible and mutually beneficial, the donor community will have a clearer idea of where to begin supporting projects that work towards building a cooperative future between Armenia and Azerbaijan.

8.2 Networking & outreach

A year into the project, at five out of the twelve dialogues we envisioned, ECAADS has achieved the triple objectives it set out to pursue: dialogue among a tightly knit community of Armenian and Azerbaijani experts has been normalised with regard to policy sectors crucial to the economic development of both countries. ECAADS has increased confidence and people-to-people diplomacy among participants and has worked towards concrete and feasible project ideas of mutual benefit and interest for future donor-funded projects. In addition, ECAADS has expanded the conversation beyond technical dialogues through a media project which features a range of individual interviews with participants. The videos are hosted on Restart Initiative's YouTube channel [Daha Yaxşı](#) (see Annex G). In addition, associated events at the German Bundestag hosted by MP Tabea Roessner (Greens), meetings with Amb. Wolfgang Ischinger at the offices of the Munich Security Conference, and moderated dialogues between Armenian and Azerbaijani experts were organised to further the cause of ECAADS.

8.3 Future dialogues

When war erupted again in 2020, different notions of what constituted just action caused rifts in the Track 2 community both across and *within* countries, and even in relationships where trust and goodwill had been developed over many years. This understandably demoralised the peacebuilding community on both sides yet galvanised our interest in looking at different Track 2 approaches. Throughout the five dialogues, participants expressed interest in future meetings so as to explore new thematic areas, but also to further progress on ideas developed so far. Seven additional dialogues are therefore envisioned through spring 2025, with three of these seven already funded.

For these future dialogues – where ECAADS will again host 3-4 experts from each country – we have preliminarily enumerated themes ranging from climate change to free trade zones, to capital

infrastructure development. Fundraising is ongoing in order to fully fund the remaining dialogues. The final selection of topics is also subject to donor interest and will respond to opportunities that arise from political developments on the ground. Concluding the dialogue series will then allow the organisers to draft a policy brief (Phase 2) that presents further realistic pilot projects and concrete funding proposals for development assistance in pursuit of economic connectivity.

- **Sustainable Post-Conflict Development & Climate Change** | *Dialogue 6 funded by Germany*

Changed control over water and energy resources since the war in 2020, as well as ambitious development objectives in both Azerbaijan and Armenia, have resulted in unsustainable recourse to water resources. The effects of climate change are already evident in the South Caucasus, with increased flood and droughts over the past two decades and the Kura River no longer meeting the Caspian Sea in summer. Dialogue 6 builds upon the outcomes of ECAADS' previous water and energy dialogues to specifically address the imperatives of cooperation on climate-resilient sustainable development, with a focus on the disproportionate impacts of climate change on vulnerable communities and women. Subtopics are subject to agreement by participants but may include joint sustainable use of ecosystem services; issues related to the water-food-energy-ecosystems nexus; cooperation on disaster management and building resilience at the local scale; and innovation in water and energy conservation, including joint development of renewable energy resources.

- **Skills-Building (II)** | *Dialogue 7 funded by Germany*

Both during and after our first skills building dialogue, we have seen a need, reflected by stakeholder and participant conversations, for a follow-on dialogue on these themes. Given the breadth of the topic, there is room for furthering and broadening these conversations with a view to focusing on rural regions. Those regions suffer from economic precarity and from being situated in a post-conflict zone and merit a focus on women's economic situations in particular. Dialogue 7 will build upon ECAADS' previous skills-building dialogue to explore further joint development of human and social capital through developing in-demand skills for Armenian and Azerbaijani citizens in border regions. Dialogue 7 would therefore explore the skills both existing and needed for creating free trade zones or other trade-incentivising measures, including between Armenia and Nakhichevan. Subtopics are subject to agreement by participants but may include a focus on encouraging women's economic activities; an inventory of existing skills and opportunities for learning exchange across borders; opportunities for improved agricultural production through education and extension services; and/or developing detailed project concepts for the recommendations previously generated.

- **Trade & Free Trade Zones** | *Dialogue 8 funded by the EU*

A topic that repeatedly came up unprompted during our scoping trips was how to revive investment in border regions where organic economic connections and markets had previously existed. Dialogue 8 will explore the creation of free trade zones and other trade-incentivising measures in historical forums for exchange, including between Armenia and Nakhchivan. It should discuss the planning for special economic spaces for encounters in the fields of construction / artisanal materials and agriculture in border regions while limiting unregulated economic activity. Products made and services delivered from these sub-regional zones could receive preferred tax status. Potential sub-topics could revisit the issue of recreating and fostering small-scale markets and fairs as a trust-building mechanism at the local scale, with a focus on encouraging women's economic activity; establishing custom-made trade regimes for particular products or geographies; opportunities for regional trade initiatives notably in light of potential rapprochement between Armenia and Turkey; proposals for status-neutral options for stimulating local trade between border regions and lines of separation; overcoming challenges of passport and customs controls (excluding any discussion of the Southern route through Syunik/ Zangezur); and addressing challenges of unregulated economic activity.

- **Capital Infrastructure Co-operation** | *Dialogue 9 - funding TBC*

Dialogue 9 should identify and prioritise infrastructure challenges, explore potential to reactivate existing regional and local road networks and rail lines, and plan for new connections. Sub-topics may include regulating freight, passenger traffic, crew passage and security, track infrastructure and train engine ownership, maintenance, customs duties and inspection; could cross-border projects related

to infrastructure, electricity, municipal rehabilitation and construction be financed through a new Karabakh Development Bank? How would private investors' risk and liabilities otherwise be offset? How could a new development bank collaborate with other local financing institutions and initiatives and provide access to credit to communities in areas under Russian peacekeeper control?

- **Eastern Partnership Investment Fund** | *Dialogue 10 - funding TBC*

Complementing the priorities of the post-2020 Eastern Partnership priority of "Together for resilient, sustainable, and integrated economies", Dialogue 10 should ideate around establishing a sub-facility at the ENP's Neighbourhood Investment Platform (NIP) to specifically promote business cooperation and finance ventures across conflict divides: an Armenian economic partnership, entrepreneurs or companies requesting support from such an SME finance sub-facility must include an Azerbaijani entrepreneur or company as a partner, or vice versa, with the purpose of scoping new markets, new production lines or new regional brands, or developing innovative technology (e.g., seeding projects jointly submitted by Armenian and Azerbaijani teams of coders).

- **EU Eastern Partnership for Peace Dividends Fund** | *Dialogue 11 - funding TBC*

In parallel with EU4Peace and EU4Dialogue, D11 would generate concrete ideas for an EU Partnership for Peace Dividends fund, thus differing from suggestions emerging from these aforementioned EU initiatives: it would focus on the terms of the fund itself. For example, such a fund should exchange ideas around promoting people-to-people programmes that support reconciliation through economic collaboration. A people-to-people partnership requesting support from such a fund must, for instance, include a collaboration between nonprofits and/or private sector entities that bring Armenia and Azerbaijan together with a broader economic development, reconciliation and shared community building purpose; while ensuring gender mainstreaming and meaningful participation of women in these initiatives.

- **Business and Human Rights** | *Dialogue 12 - funding TBC*

Dialogue 12 is to discuss how – in order to be conducive to reconciliation and peace – entrepreneurial initiatives can more forcefully embrace corporate responsibilities to prevent and address rights violations that could occur within their business operations, including their supply chains, and consider their impact on the rights of the people in the communities in which they operate. The theme should be discussed among business and investor communities with a view to reaching common ground as to implementing the UN's Guiding Principles on Business and Human Rights, as well as the relevant Council of Europe recommendations.

- **Alternative Topic: Water Management (II)** | *Dialogue 12 - funding TBC*

Given the immense on-the-ground and international donor interest in water management in the South Caucasus, we could also foresee a follow-on dialogue which focuses on water management. This would allow our experts to expand and further detail the project proposals which have been developed as part of Dialogue 3. This follow-on dialogue could also incorporate different elements, such as the role of women and local communities in water management.

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A. Organisers

Both Hertie School and Restart Initiative have been actively following and commenting on the 2020 conflict between Armenia and Azerbaijan and the road to peace since then. In the context of ECAADS, they focus on facilitating dialogue and exchange between experts, researching the viability of economic connectivity measures and developing ideas and projects regarding economic cooperation between the two countries, to explore new ways in which the EU and others can support this dimension of dialogue. ECAADS is moderated by top facilitators with a background in post-conflict dialogue, water management, political economics, finance, transport and energy policy as well as in the politics and geography of the South Caucasus.

A.1 Hertie School

Hertie School is a private university based in Berlin, Germany, accredited by the state and the German Science Council. It prepares exceptional students for leadership positions in government, business, and civil society. Interdisciplinary and practice-oriented teaching, first-class research and an extensive international network set the Hertie School apart and position it as an ambassador of good governance, characterised by public debate and engagement. Its Executive Education department offers tailor-made executive programmes for clients across all sectors: international organisations, public administrations, nonprofits, think tanks and academia. Projects and training curricula are developed in close cooperation with clients in order to respond to the specific needs of every organisation and to guarantee maximum applicability of the acquired skills to the challenges that participants face in their professional life. Our team develops and delivers trainings on our Berlin campus, abroad or in interactive online formats that expand programme offerings to participants around the world, regardless of location.

- **Dr. Bernhard Knoll-Tudor | Director of Executive Education, Hertie School**

Dr. Bernhard Knoll-Tudor is Director of Executive Education and Adjunct Faculty at the Hertie School where he develops strategic partnerships and establishes high-level working contacts with INGOs, government bodies, IOs, foundations and think tanks globally. As Adjunct faculty, he teaches public international law as well as skills courses. He co-chairs the boards of the [Recharging Advocacy for Rights in Europe \(RARE\)](#) and the EU-funded [STARLIGHT](#) projects. He co-steers ECAADS as well as the EU-funded [Capacities for Rights in Georgia](#) project. Before joining the Hertie School, Bernhard served as director of the Global Policy Academy at Central European University, Budapest. He worked for ten years for the OSCE, an international organisation devoted to “hard” security as well as to human rights diplomacy, where he was involved in policy design and mission management. He has held positions at the European Union Monitoring Mission (Sarajevo), the United Nations Administration Mission in Kosovo (Prishtina), the Austrian Ministry of Foreign Affairs (Vienna) as well as with the OSCE Office for Democratic Institutions and Human Rights (Warsaw). Bernhard earned a master’s degree in law at the University of Vienna and an MA in international relations and economics from Johns Hopkins/SAIS with a focus on IR theory (Bologna, Italy, and Washington, DC). He obtained his PhD from the EUI (Florence) and is the author of *Legal Status of Territories Subject to Administration of International Organisations* (Cambridge University Press, 2008). His latest publications can be accessed [here](#) (a legal analysis on public international law issues arising from the 2020 war, *European Journal of International Law*), [here](#) and [here](#) (on the respective roles of the EU and the OSCE in post-war Karabakh - *Security and Human Rights Monitor* and *EurActiv*), [here](#) (on civic space challenges in the EU, *Verfassungsblog*), and [here](#) (on human rights defenders in the OSCE space, *Journal of Human Rights Practice*).

- **Frank Garrison | Project Coordinator, Executive Education, Hertie School**

Frank Garrison is a Project Coordinator in Executive Education at the Hertie School and works on customised programmes related to capacity building for human rights defenders and conflict

resolution. Frank manages the implementation of several projects including ECAADS, the Capacities for Rights in Georgia project funded by the EC, and Recharging Advocacy for Rights in Europe (RARE). Garrison holds a Master's in International Affairs from the Hertie School and an MPA from the Maxwell School of Citizenship and Public Affairs at Syracuse University. Before rejoining the Hertie School, Frank worked as a management consultant, assisting government clients with strategic projects related to sustainability, energy, infrastructure, and economic development. His areas of interest include transatlantic affairs and international security.

- **Mateo Rodriguez | Student Assistant, Hertie School**

Mateo Rodriguez was a team assistant in Executive Education and assisted the department with a variety of projects until June 2023. Mateo has a BA in Politics, Ethics and Social Thought and has graduated as an International Affairs Master with a concentration in international security. Mateo's areas of interest include conflict management, water governance, and climate change policy.

A.2 Restart Initiative

Founded in Georgia in 2021, Restart Initiative is a non-profit with the mission of building connections for economic and social development in the South Caucasus. It uses its expertise in communications and international development to identify opportunities for constructive engagement in the region.

- **Dr. Jeanene Mitchell | ECAADS Lead; Founder & Executive Director, Restart Initiative**

Dr. Jeanene Mitchell is an international development and area studies expert in the South Caucasus and Turkey. Her areas of professional focus include water, energy, gender, and sustainable development. Prior to founding and directing the Restart Initiative, she managed stakeholder engagement for a UNDP-Global Environment Facility water project in the Kura River Basin. She has also worked in research at the Columbia University Center for Energy, Marine Transportation and Public Policy, and is presently a moderator for EU4Dialogue's Climate Change Dialogue, bringing together participants from Armenia, Azerbaijan, Georgia, and Moldova. Dr. Mitchell is a published author on energy governance topics in the South Caucasus as well as marine transportation and environmental law in the Black Sea. She has also written on renewable energy and climate change at the urban scale. Jeanene holds a PhD in Near and Middle Eastern Studies and a Certificate in International Development from the University of Washington, an MA in International Affairs from Columbia University's School of International and Public Affairs, and a BSFS in International Politics from the Georgetown University School of Foreign Service.

- **Emin Milli | Founder and Chairman, Restart Initiative**

Emin Milli is the Founder and Chairman of Restart Initiative and the Co-Founder of Daha Yaxşı, Restart Initiative's media project. He is also the Founder and former Managing Director (2013-2019) of Meydan TV, an independent Azerbaijan media organization based in Berlin. Milli was a public advocate for dialogue between Armenia and Azerbaijan during and after the Second Karabakh War. He continues to call for peaceful engagement and economic connectivity between the two countries. His co-authored pieces with Armenian colleagues on the conflict in Karabakh have been published in *Newsweek*, *Al-Jazeera* and the *International Business Times*. From 2002-2004, Milli directed the Friedrich Ebert Foundation in Baku. In 1999-2000, he was the coordinator of the International Republican Institute in Azerbaijan. Emin has worked as an advisor and consultant to the Council of Europe, the EU and the German Technical Cooperation Agency (GTZ) on legal and administrative reform in Azerbaijan. He holds a BA in International Law, cum laude, from Baku State University and an MA from the University of London School of Oriental and African Studies (SOAS), where he studied State, Society and Development.

B. Facilitator biographies

- **Wolfgang Sporrer | Adjunct, Hertie School**

Wolfgang Sporrer is a fellow and adjunct faculty at the Hertie School, and an ECAADS co-moderator. He used to head the Human Dimension Department of the OSCE SMM in Kyiv, where he led the

civilian aspects of conflict management and facilitated and promoted dialogue between the opposing sides. Before that, he was the head of the international oil and gas company OMV's representation in the Caspian region, where he spearheaded the regional efforts to promote the Southern Gas Corridor for the EU. Previously, he served as the Head of the Europa House of the European Commission in the Caucasus and Caspian region, and as the Head of the Democratization Department of the OSCE Presence in Albania. He also served as a political adviser in the EU delegation in Moscow and in several functions for the OSCE in Croatia, Bosnia and Herzegovina and Kosovo. He studied law at the University of Vienna, the Université Catholique de Louvain La Neuve and the LSE. He also holds a diploma in International Relations from Johns Hopkins University SAIS.

- **Dr. Oliver Gnad | Dialogue 5 Co-Moderator**

Dr Oliver Gnad is the co-founder and managing director of the Bureau für Zeitgeschehen (Bureau of Current Affairs), a Frankfurt-based think-and-do-tank specialised in strategic foresight and scenario planning. He is a Senior Non-Resident Fellow of the German Marshall Fund and a Certified Senior Instructor of Globalytica Ltd., a Washington-based thought leader in building analytic cultures. Since 2015, he is also an adjunct faculty member of the Hertie School. From 2008-16, he served as Director of GIZ AgenZ, an in-house consultancy of GIZ. Between 2003-07, he was the Director for International Programs of the ZEIT Foundation in Hamburg. Oliver holds a doctoral degree in contemporary history from Goethe University Frankfurt and is the author of several books and articles on the Cold War, the German party system, sustainable development as well as foreign and security policy issues.

- **Dr. Alexey Gusev | Dialogue 5 Co-Moderator**

Dr Alexey Gusev is a policy researcher and independent consultant focused on such areas as skills development, higher education, human capital and technological entrepreneurship. Before 2022 Alexey was a Head of Public Policy Research at Skolkovo School of Management, the leading business school in Eastern Europe at that time, where he was responsible for policy advice and capacity building programmes in the public sector. Alexey worked on projects with the World Bank, UNDP, ILO, World Skills International and with universities and think-tanks across the Eurasian region. He was a leading facilitator of various industry-focused foresight sessions in Russia as well as in Armenia and Kazakhstan. Alexey holds an MA degree in sociology from the University of Manchester and a doctorate in sociology from MGIMO University. He is due to graduate with an Executive Masters in Public Administration from the Hertie School in 2024.

C. Materials & readings

Dialogue 1

- A. Hasanov, "Karabakh Should Be On Europe's Agenda", Institute for War and Peace Reporting ([18 November 2020](#))
- P. Champain, "Introduction", in: P. Champain, D. Klein, et al. (eds.), *From War Economies to Peace Economies in the South Caucasus* (pp. 18–27), London: International Alert (2004)

Dialogue 2

- D. Saha, R. Giucci, et al., "[The Economic Effect of a Resolution of the Nagorno-Karabakh Conflict on Armenia and Azerbaijan](#)", *BE Berlin Economics*, 15 June 2018

Dialogue 3

- S. Manukyan, H. Isayev, "Re-Introducing Water to the Armenia-Azerbaijan Agenda: Prospects for Transboundary Water Cooperation in the Post-2020 Peace Processes", *Caucasus Edition: Journal of Conflict Transformation* ([December 2022 issue](#) p. 77-95 ff)
- M. Mehdiyev, "Azerbaijani River Under Threat from Armenian Pollution", *Caspiannews.com* ([8 July 2021](#))
- Eurasianet, "Azerbaijan faces growing water shortage", *Eurasianet.org* ([21 August 2020](#))
- G. Mnatsakanyan, "Heatwave, drought and war leave Nagorno-Karabakh short of water", *Eurasianet.org* ([8 September 2021](#))
- N. Kuyumjian, "Don't water it down: The role of water security in the Armenia-Azerbaijan war", *Eurasianet.org* ([22 December 2021](#))

Dialogue 4

- F. Nabiev, "Armenian-Azeri Trade Survives", *IWPR* (14 July 2005)
- "Sadakhlo Neutral Zone for Armenian-Azerbaijani Contacts: Use of Trade as a Tool for Conflict Transformation", *Caucasus Edition: Journal of Conflict Transformation* (1 April 2011)
- R. Khachatryan, "Traders Resume Protests At Armenian-Georgian Border", *Azatutyun* (2 August 2006)
- S. Grigoryan (ed.), *Positive Examples of Coexistence from the History of Peoples and States of the South Caucasus*, Yerevan: Antares 2009 (specifically S. Huseynova, "Azerbaijanis and Armenians in Georgia: Spaces of Coexistence", pp. 33)

D. Film documentation

Ferdi Huseynvand is the co-founder and creative director of Daha Yaxşı media. He is also a co-founder and former producer of Meydan TV. Previously, he directed music videos and YouTube shows as part of the Bulistan Group. His documentary on ECAADS will be released in September 2023. Selected interviews with ECAADS participants so far include:

- Dr. Rovshan Abbasov ([Azerbaijani](#))
- Gagik Aghajanyan ([Russian](#))
- Emily Babakanian Frazier ([English](#))
- Dr. Inessa Gabayan ([Russian](#))
- Dr. Arman Grigoryan ([English](#))
- Dr. Ara Marjanyan ([Russian](#))
- Dr. Ara Marjanyan & Kanan Jafarov ([Russian](#))
- Shams Mustafayeva ([English](#))
- Dr. Farhad Mammadov ([Russian](#))
- Dr. Benyamin Poghosyan ([Russian](#))
- Khalisa Shahverdiyeva (Azerbaijani, forthcoming)

E. Select photos from Dialogues



Dialogue 5 (Scenarios for Economic Connectivity)
15-16 June 2023, Tbilisi



Dialogue 4 (Markets and Skills-Building)
18-19 March 2023, Berlin



Dialogue 3 (Water Management)
6-7 March 2023, Tbilisi



Dialogue 1 (Transport)
16-17 June 2022, Berlin

F. Donors & partners

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